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REGULATORY AUTH.

BellSouth Telecommunications, Inc. 615 214-6301
Suite 2101 Fax 615 214-7405
333 Commerce Street
Nashville, Tennessee 37201-3300

99 MAY 24 PM 4 19

Guy M. Hicks
General Counsel

OFFICE OF THE
EXECUTIVE SECRETARY
May 20, 1999

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and e•spire Communications, Inc., formerly known as American Communications Services, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.
Docket No. ~~96-01316~~

99-00372

Dear Mr. Waddell:

Pursuant to Section 252(e) of the Telecommunications Act of 1996, e•spire Communications, Inc., formerly known as American Communications Services, Inc. ("e•spire") and BellSouth Telecommunications, Inc. are hereby submitting to the Tennessee Regulatory Authority the original and thirteen copies of the attached Petition for Approval of the Amendment to the Interconnection Agreement dated December 17, 1996. The Amendment establishes the rates, terms and conditions for the interconnection of Frame Relay services between e•spire and BellSouth.

Sincerely yours,

E•SPIRE COMMUNICATIONS, INC.

BELLSOUTH TELECOMMUNICATIONS, INC.

BY: 

Guy M. Hicks
333 Commerce Street
Suite 2101
Nashville, TN 37201-3300

BY: _____
James C. Falvey
131 National Business Parkway
Suite 100
Annapolis Junction, MD 20701



BellSouth Telecommunications, Inc. 615 214-0301
Suite 2101 Fax 615 214-1606
333 Commerce Street
Nashville, Tennessee 37201-3300

Guy M. Hicks
General Counsel

February 17, 1999

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and espire Communications, Inc., formerly known as American Communications Services, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.

Docket No. 96-01316

99-00372

Dear Mr. Waddell:

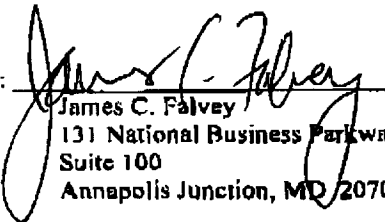
Pursuant to Section 252(e) of the Telecommunications Act of 1996, espire Communications, Inc., formerly known as American Communications Services, Inc. ("espire") and BellSouth Telecommunications, Inc. are hereby submitting to the Tennessee Regulatory Authority the original and thirteen copies of the attached Petition for Approval of the Amendment to the Interconnection Agreement dated December 17, 1996. The Amendment establishes the rates, terms and conditions for the interconnection of Frame Relay services between espire and BellSouth.

Sincerely yours,


E•SPIRE COMMUNICATIONS, INC.

BELLSOUTH TELECOMMUNICATIONS, INC.

BY:


James C. Falvey
131 National Business Parkway
Suite 100
Annapolis Junction, MD 20701

BY:


Guy M. Hicks
333 Commerce Street
Suite 2101
Nashville, TN 37201-3300

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In re: *Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and e•spire Communications, Inc., formerly known as American Communications Services, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996*

Docket No. ~~96-01316~~

99-00372

PETITION FOR APPROVAL OF THE
AMENDMENT TO THE INTERCONNECTION AGREEMENT
NEGOTIATED BETWEEN BELL SOUTH TELECOMMUNICATIONS, INC.
AND E•SPIRE COMMUNICATIONS, INC., FORMERLY KNOWN AS AMERICAN
COMMUNICATIONS SERVICES, INC.
PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996

COME NOW, e•spire Communications, Inc., formerly known as American Communications Services, Inc. ("e•spire") and BellSouth Telecommunications, Inc., ("BellSouth"), and file this request for approval of the Amendment to the Interconnection Agreement (the "Amendment") negotiated between the two companies pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, (the "Act"). In support of their request, e•spire and BellSouth state the following:

1. e•spire and BellSouth have successfully negotiated an agreement for interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth's telecommunications services to e•spire. The Interconnection Agreement was approved by the Tennessee Regulatory Authority ("TRA") on December 17, 1996.

2. The parties have negotiated an Amendment to the Agreement which establishes the rates, terms and conditions for the interconnection of Frame Relay services between e•spire and BellSouth. A copy of the Amendment is attached hereto and incorporated herein by reference.

3. Pursuant to Section 252(e) of the Telecommunications Act of 1996, e•spire and BellSouth are submitting their Amendment to the TRA for its consideration and approval.

4. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the negotiated Amendment between BellSouth and e●spire within 90 days of its submission. The Act provides that the TRA may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity.

5. e●spire and BellSouth aver that the Amendment is consistent with the standards for approval.

6. Pursuant to Section 252(i) of the Act, BellSouth shall make the Agreement available upon the same terms and conditions contained therein.

e●spire and BellSouth respectfully request that the TRA approve the Amendment negotiated between the parties.

This 20th day of May, 1999.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: 

Guy M. Hicks
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300
(615) 214-6301
Attorney for BellSouth

E●SPIRE COMMUNICATIONS, INC.

By: _____

James C. Falvey
131 National Business Parkway, Suite 100
Annapolis Junction, MD 20701

4. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the negotiated Amendment between BellSouth and espire within 90 days of its submission. The Act provides that the TRA may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity.

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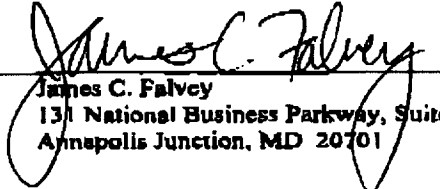
This 20th day of May, 1999.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: _____
Guy M. Hicks
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300
(615) 214-6301
Attorney for BellSouth

ESPIRE COMMUNICATIONS, INC.

By: 
James C. Falvey
131 National Business Parkway, Suite 100
Annapolis Junction, MD 20701

AMENDMENT

TO INTERCONNECTION AGREEMENT BETWEEN AMERICAN COMMUNICATIONS SERVICES, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC. DATED JULY 25, 1996

Pursuant to this Agreement ("the Amendment"), e●spire^{Communications} Inc. ("e●spire"), formerly known as American Communications Services, Inc. and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby amend that certain Interconnection Agreement between the Parties dated July 25, 1996 ("Agreement").

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, e●spire and BellSouth hereby covenant and agree as follows:

1. Article V of the Agreement is hereby modified to include the following:
 - C.5. Attachment C-14 of this Agreement contains the Rates, Terms and Conditions for local interconnection of Frame Relay services.
2. Attachment C-14, shown here as Exhibit A, is hereby incorporated herein by reference to the Agreement.
3. The Parties agree that all of the other provisions of the Agreement, dated July 25, 1996, shall remain in full force and effect including any amendments thereto. Nothing in this Amendment shall in any way limit e●spire's ability to select a substitute Local Interconnection of Frame Relay service arrangement pursuant to the terms of Section XXII of the Agreement relating to "more favorable" treatment.
4. The Parties further agree that either or both of the Parties are authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996. However, this Amendment is effective without further approval needed.

e•spire, Inc.

By:

Title: _____

BellSouth Telecommunications, Inc.

By: _____

Name: Jerry D. Hendrix

**Title: Director-Interconnection
Services/Pricing**

Date: _____

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

e●spire, Inc.

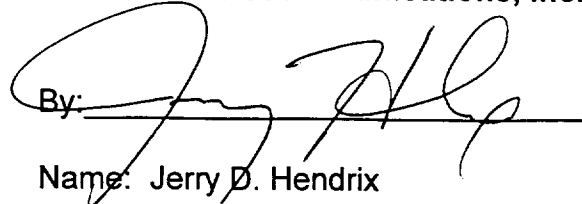
By: _____

Name: _____

Title: _____

Date: _____

BellSouth Telecommunications, Inc.

By:  _____

Name: Jerry D. Hendrix

Title: Director-Interconnection
Services/Pricing

Date: 12/21/98

Attachment C-14

A. Frame Relay Service Traffic

The following provisions will apply only to Frame Relay Service and Exchange Access Frame Relay Service in those states in which e•spire is certified and providing Frame Relay Service as a Local Exchange Carrier and where traffic is being exchanged between e•spire and BellSouth Frame Relay Switches in the same LATA.

A.1 The Parties agree to establish two-way Frame Relay facilities between their respective Frame Relay Switches to the mutually-agreed upon Frame Relay Service point(s) of interconnection ("POIs") within the LATA.

A.1.1 Upon the request of either Party, such interconnection will be established where BellSouth and e•spire have Frame Relay Switches in the same LATA. Where there are multiple Frame Relay switches in the central office of a Party, an interconnection with any one of the switches will be considered an interconnection with all of the switches at that central office for purposes of routing packet traffic.

A.1.2 The Parties agree to provision local and IntraLATA Frame Relay Service and Exchange Access Frame Relay Service (both intrastate and interstate) over Frame Relay Trunks between the respective Frame Relay switches and the POIs.

A.1.3 The Parties agree to assess each other reciprocal charges for the facilities that each provides to the other according to the Percent Local Circuit Use ("PLCU") factor PLCU, determined as follows:

(i) Frame Relay framed packet data is transported within Virtual Circuits ("VC"). For the purposes of calculating the PLCU, if all the data packets transported within a VC remain within the LATA, then consistent with the local definitions in this Agreement, the traffic on that VC is local ("Local VC").

(ii) If the originating and terminating locations of the two way packet data traffic are not in the same LATA, the traffic ~~on that VC is interLATA.~~

EXHIBIT A

- (iii) The PLCU shall be determined by dividing the total number of Local VCs, by the total number of VCs on each Frame Relay facility at the end of the reporting period. The Parties agree to renegotiate the method for determining PLCU, at either Parties' request, and within 90 days, if either Party notifies the other that it has found that this method does not adequately represent the PLCU.
- (iv) If there are no VCs on a facility when it is billed, the PLCU will be zero.

A.2 BellSouth will provide the Frame Relay Trunk(s) between the Parties' respective Frame Relay Switches. The Parties will be compensated as follows: BellSouth will invoice, and e●spire will pay, the total non-recurring and recurring charges for the trunk facility. e●spire will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed charges for the trunk facility by one-half of e●spire's PLCU.

A2.1 If e●spire requests interconnection outside the serving area in which the POI is located, then e●spire may, at its option, purchase facilities and transport between Frame Relay Network Serving areas, as defined in Section A40 of the General Subscriber Service Tariff, according to the rates, terms and conditions of the applicable tariff General Subscriber Service Tariff for that state.

A.3 Each Party will provide a Frame Relay network-to-network interface ("NNI") port to the other Party for each trunk facility provided pursuant to A.2, above. Compensation for NNI ports shall be based upon the NNI rates set forth in the BellSouth F.C.C Tariff No. 1. Pursuant to that tariff, e●spire may select a month-to-month or term rate structure for the NNI ports BellSouth provides to e.spire. Whatever rate structure e●spire selects shall be deemed to be the same rate structure that applies to the NNI port e●spire provides to BellSouth. There shall be no termination liability to either party for the local portion of the NNI port as determined by the e●spire PLCU at the time of termination.

A.4 Compensation for the NNI ports shall be calculated as follows:

A.4.1 For NNI ports provided by BellSouth to e●spire, BellSouth will invoice, and e●spire will pay, the total non-recurring and recurring charges for the NNI port. e●spire will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed non-recurring and recurring charges for the NNI port by one-half of e●spire's PLCU.

A.4.2 For NNI ports provided by e●spire to BellSouth, e●spire will invoice, and BellSouth will pay, the total non-recurring and recurring charges for the NNI port. BellSouth will then invoice, and e●spire will pay, an amount determined as follows: e●spire's combined interLATA and local usage will be calculated by subtracting one-half of e●spire's PLCU factor from one hundred percent. The difference will then be multiplied by the total charges initially billed by e●spire for the NNI port. BellSouth will then invoice, and e●spire will pay, this amount to BellSouth.

A.5 A Permanent Virtual Circuit ("PVC") is a logical channel from a frame relay network interface (e.g., NNI or User Network Interface) to another frame relay network interface. A PVC is created when a Data Link Channel Identifier ("DLCI") is mapped together with another DLCI. Neither Party will charge the other Party any DLCI or Committed Information Rate ("CIR") charges for the PVC from its Frame Relay switch to its own subscriber's premises.

A.6 For the PVC between the e●spire and BellSouth Frame Relay switches, compensation for the DLCI and CIR charges are based upon the rates in the BellSouth FCC Tariff No. 1. Compensation for PVC and CIR rate elements shall be calculated as follows:

A.6.1 For PVCs between the BellSouth Frame Relay switch and the e●spire Frame Relay switch, BellSouth will invoice, and e●spire will pay, the total non-recurring and recurring DLCI and CIR charges. If the VC is a Local VC, e●spire will invoice and BellSouth will pay, 100% of the DLCI and CIR charges initially billed by BellSouth for that PVC. If the VC is not local, no compensation will be paid to e●spire for the PVC.

A.6.2 Each Party will compensate the other Party for any applicable Feature Change or Transfer of Service Charges as set forth in BellSouth's Tariff F.C.C. No. 1. A.6.3. The Parties agree to limit the sum of the CIR for the VCs on a given NNI port to not more than two times the port speed.

A.7 Except as expressly provided herein, this Agreement does not address or alter in any way either Party's provision of Exchange Access Frame Relay Service or interLATA Frame Relay Service. All charges by each Party to

EXHIBIT A

the other for carriage of Exchange Access Frame Relay Service or interLATA Frame Relay Service are included in the BellSouth access tariffs.

A.8 Until such time as BellSouth obtains authority to provide in-region, interLATA service, e•spire will identify and report its PLCU to BellSouth on a quarterly basis.

A.9 Either Party may request a review or audit of the various service components, including but not limited to a Party's determination of its PLCU, consistent with the provisions of section E2 of the BellSouth State Access Services tariffs or Section 2 of the BellSouth FCC No.1 Tariff.

A.10 If during the term of this Agreement, BellSouth obtains authority to provide in-region, interLATA service, the Parties shall renegotiate the provisions of A.2, A.4, A.6 and A.8 to account for BellSouth's PLCU. In the event the parties are unable to reach agreement within one hundred eighty (180) days of the date BellSouth receives interLATA authority, the matter shall be resolved pursuant to the dispute resolution provisions set forth in the Interconnection Agreement.